Legislative Council
600 East Boulevard Avenue, Bismarck, ND 58505

ENERGY DEVELOPMENT AND TRANSMISSION COMMITTEE

Tuesday, June 2, 2026
Discovery Hall, Energy and Environmental Research Center, 15 North 23rd Street
Grand Forks, North Dakota

Representative Anna S. Novak, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Anna S. Novak, Dick Anderson, Mike Brandenburg, Austin Foss, Pat D. Heinert, Dustin McNally, Alisa Mitskog, Todd Porter; Senators Brad Bekkedahl, Keith Boehm, Ryan Braunberger, Mark Enget, Kathy Hogan, Greg Kessel, Desiree van Oosting, Kent Weston

Members absent: None

Others present: Scott Ayash, Charles Gorecki, Tyler Hamman, and Beth Kurz, Energy and Environmental Research Center; Brita Endrud, Minnkota Power Cooperative; Ladd R. Erickson,* McLean County; Reice Haase, Department of Water Resources; James L. Semerad, Department of Environmental Quality; Claire Vigesaa, North Dakota Transmission Authority
**Attended remotely*

It was moved by Senator Bekkedahl, seconded by Senator Braunberger, and carried on a voice vote that the minutes of the February 26, 2026, meeting be approved as distributed.

MINNKOTA POWER COOPERATIVE TOUR

Ms. Brita Endrud, External Affairs Representative, Minnkota Power Cooperative, led the committee on a tour of various Minnkota Power Cooperative facilities, including the:

- Minnkota Power Cooperative headquarters;
- Energy control center; and
- Walle Substation.

DEVELOPMENT AND OPERATION OF LARGE ENERGY CONSUMERS

Mr. Claire Vigesaa, Executive Director, North Dakota Transmission Authority, presented information on transmission grid expansion. He noted:

- Local jurisdictions are considering moratoriums, restrictions, and new ordinances for large-scale projects, including agriculture transmission lines, wind and solar projects, carbon dioxide pipelines, direct air capture facilities, and data centers.
- The importance of developing tools for local governments to educate and assist communities in making informed decisions.

In response to questions from committee members, Mr. Vigesaa noted the North Dakota League of Cities and North Dakota Association of Counties developed a model zoning ordinance for cities and counties, but concluded additional tools are needed to conduct an objective zoning analysis for large energy consumers and data centers.

Mr. James L. Semerad, Director, Division of Air Quality, Department of Environmental Quality, presented information (Appendix A) regarding the department's role relating to the development and operation of large energy consumers. He noted:

- The Department of Environmental Quality has primacy for administering the federal Clean Air Act and Clean Water Act and oversees the state's air quality, water discharge, storm water, and waste management programs.
- Water quality and waste management issues for data centers appear to be minimal when proper care and standards are maintained.
- Data centers generally do not produce air emissions, but emergency backup generators may produce emissions that require an air quality permit.
- Natural gas may replace diesel in the future, which would allow for cleaner air.
- Air quality permits require staged operation for engine testing and tracking, as well as the installation of air monitors to guide future department decisions.

In response to questions from committee members, Mr. Semerad noted:

- Diesel-run generators must operate under the United States Environmental Protection Agency's emission standards.
- The department operates 10 air quality monitors strategically located throughout the state, including near large industrial facilities, in cities, and within each unit of Theodore Roosevelt National Park.

Mr. Reice Haase, Director, Department of Water Resources, presented information (Appendix B) regarding the department's role in managing the state's water resources and data center operations. He noted:

- North Dakota's cooler climate reduces data center cooling demands compared to states with warmer climates.
- The average power plant uses 1,200 acre-feet of water per year, while a data center uses 5 to 112 acre-feet per year.
- In North Dakota, there is limited concern regarding the water demands and water use for data centers.

In response to questions from committee members, Mr. Haase noted:

- North Dakota's use of Missouri River water is minimal and presents no significant concerns regarding water availability to states downstream.
- The amount of water used statewide for hydraulic fracturing ranges from 5 to 100 acre-feet per year.
- The amount of water used statewide for data centers is comparable to, if not less than, the amount used for hydraulic fracturing.

Mr. Ladd R. Erickson, McLean County State's Attorney, presented information regarding data center zoning and permitting policies. He noted:

- The committee may wish to consider requesting the Legislative Council staff to gather information regarding data center permitting in other states and consider including data center permitting as an agenda topic during the interim.
- The importance of maintaining local control over data center zoning, because zoning decisions are inherently a local issue.
- Tax incentives for data centers should be eliminated, because incentives are a limiting factor in data center siting decisions.

In response to a question from a committee member, Mr. Erickson noted counties lack the capability to administer reclamation bonding or oversee the reclamation process, and the state would have more flexibility to create a proper reclamation program. He noted reclamation bonding should be viewed as enabling legislation to create administrative rules.

The committee recessed and reconvened after the committee members toured the Energy and Environmental Research Center (EERC).

Mr. Charles Gorecki, Chief Executive Officer, Energy and Environmental Research Center, presented information (Appendix C) regarding an overview and update on the EERC.

In response to questions from committee members, Mr. Gorecki noted:

- In enhanced oil recovery, carbon dioxide is separated from the produced oil and gas, the oil is sold, and the carbon dioxide is recompressed and reinjected in a closed-loop system.
- It is important to provide information to the public regarding the positive impacts and benefits of oil and gas production in the state.
- The EERC operates the National Center for Hydrogen Technology and collaborates with the Heartland Hydrogen Hub to research future hydrogen technologies.
- A leading opportunity for North Dakota is converting natural gas into hydrogen and then converting hydrogen into fertilizer to use in agriculture products.

REPORTS

Mr. Scott Ayash, Director of Research Management, Energy and Environmental Research Center, provided a report (Appendix D) from the State Energy Research Center on the center's activities and accomplishments. He noted:

- The Polar Bear project could support continued oil production, leading to new jobs and a cleaner environment for the state.
- The Energy Hawks Internship Program provides an opportunity for college students to learn about the state's range of energy technologies.

In response to questions from committee members, Mr. Ayash noted:

- The education outreach program at the State Energy Research Center helps educate the public on facts and dispel misinformation.
- The Energy Atlas is a document that promotes public outreach and helps inform the public on how different energy sources interact.

Mr. Tyler Hamman, Assistant Vice President for Strategic Partnerships, Energy and Environmental Research Center, provided a report (Appendix E) regarding the status and results of a salt cavern underground energy storage business case analysis.

In response to questions from committee members, Mr. Hamman noted anhydrous ammonia could be stored in underground salt caverns similar to natural gas and propane.

In response to questions from committee members, Ms. Beth Kurz, Director of Subsurface Characterization and Community Engagement, Energy and Environmental Research Center, noted propane and ethane storage are treated separately at the facility so they can be managed individually.

COMMITTEE DISCUSSION

Committee members expressed interest in receiving additional information regarding the geothermal energy production in the state and updates regarding new developments with data centers.

No further business appearing, Chairman Novak adjourned the meeting at 3:57 p.m.

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Austin Gunderson
Counsel

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Erin K. Dohm
Counsel

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